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Selected Speeches and News Releases

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Statement

U.S. Department of Agriculture • Office of Information

by Dr. Charles E. Hess, Assistant Secretary of Agriculture for Science and Education, on report by The Task Force on Women, Minorities and the Handicapped in Science and Technology Dec. 19.

The United States is facing a critical shortage of scientific and engineering expertise, according to a report being released today by the President's Task Force on Women, Minorities, and the Handicapped in Science and Technology. It has been estimated that more than half a million scientific and engineering jobs in this nation will go unfilled by the year 2010 unless we act immediately.

We can meet this challenge by reaching out to groups which have historically been underrepresented in science and engineering—groups that include women, minorities and persons with disabilities. These groups represent an enormous resource pool, and we must begin a sustained, long-term effort to utilize those resources.

For example, women account for only 11 percent of our employed scientists and engineers, but they comprise 51 percent of the nation's work force. There are approximately 36 million Americans of working age with some physical disability, but a survey found only 94,000 disabled scientists and engineers working in 1986. And only 2 percent of all the employed scientists and engineers in this country are black, but blacks make up 12 percent of the general population.

The Task Force report sets forth some specific measures that can be taken to avoid the scientific shortfall. They have called for a major revamping of the nation's educational pipeline from pre-kindergarten through graduate school to produce a larger, more diverse population of scientists and engineers. In addition, they've spelled out actions for industry and government at all levels to help groom the next generation of scientists.

The U.S. Department of Agriculture recognizes the importance of expanded science and math education in helping the United States fulfill its role in the global economy. We have already started reaching out to the scientists of the future through programs such as our cooperative work with the 1890 land-grant colleges, research apprentice programs to

hire high-potential high school students on a temporary basis, and temporary jobs for students from the 1890 schools.

However, there is more to be done, and the work of the Task Force serves an important function in highlighting the challenges we face.

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by U.S. Trade Representative Carla Hills and Secretary of Agriculture Clayton Yeutter, Dec. 20.

Today in Geneva the European Community submitted its comprehensive agriculture proposal in the Uruguay Round of trade negotiations under the auspices of the General Agreement on Tariffs and Trade (GATT). This is the last of the major proposals to be submitted and now will permit the final negotiations on agriculture to get underway early next year.

While the proposal contains some positive indications, we are concerned with the continued reliance by the EC on managed agriculture and, in particular, the apparent intention to continue to rely upon large scale subsidies and especially export subsidies. Government programs that manage markets are one of the major causes of the current trade distortions in agriculture. The successful future of trade in agriculture depends on market liberalization and significant reduction of subsidies that distort trade.

The United States cannot accept the EC's proposal to "rebalance" import protection. Rebalancing would raise tariffs, reduce market access and increase the price of food to consumers. Rebalancing is simply protectionism by another name, and we believe that the other GATT countries will recognize it as such.

The EC's version of tariffication—retaining a country's right to vary import charges with fluctuations in market prices and exchange rates—does little to liberalize market access. The EC's approach on export subsidies is unacceptably weak and totally out of step with the other Uruguay Round proposals.

We are encouraged by the EC's admission that current agricultural support policies around the world have led to "very serious problems" in agricultural markets and that significant corrective actions are needed. We applaud the proposal's recognition of the trade distorting effects of the

variable levy. The section of the proposal on sanitary and phytosanitary measures is a constructive addition to the discussions of agricultural reform.

We hope these signs of flexibility will translate into a constructive overall EC position on agriculture as we enter the final year of negotiations.

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News Releases

U.S. Department of Agriculture • Office of Information

SPOKANE, WASH., ELECTRIC COOP AND CPA CPA AGREE TO \$2.5 MILLION SETTLEMENT

WASHINGTON, Dec. 14—The U.S. Department of Agriculture's Deputy Inspector General Leon Snead announced today that USDA and the U.S. Department of Justice have entered into a \$2.5 million settlement with Coopers and Lybrand, Certified Public Accountants, and with the Inland Power and Light Co., both of Spokane, Wash.

The payment and other concessions reached in the out-of-court agreement settle allegations that Inland, a nonprofit electric distribution cooperative, improperly diverted millions of dollars in low interest loans from USDA's Rural Electrification Administration to its for-profit subsidiary companies through a price inflation scheme and through purchases of foreign made materials.

The agreement also settles the government's allegations that Coopers and Lybrand, whose Spokane area office conducted the REA-required audits of Inland over a period of many years, should have discovered the overcharging scheme and should have disclosed the overcharges to REA. Under terms of the agreement, Coopers and Inland must pay the settlement amount to the government by Dec. 29.

Although Inland severed its relationship with REA in September 1987, prior to that date it had received over \$49 million in REA loans. Under terms of the agreement, a majority of the members of the Inland Board of Trustees are required to be removed by March 1991. The departing board members are also barred from working in any other capacity for Inland.

Additional covenants of the agreement specify that Nicholas Gray, the Coopers and Lybrand partner responsible for the Inland audits, will not be allowed to perform audits of USDA-funded companies or activities for three years. Also, at its own expense, Coopers will perform up to 20 special quality control reviews per year of its annual audits of REA borrowers for three years for a total of up to 60 audits. (REA currently has 60 borrowers who are audited annually by Coopers and Lybrand.)

The investigation leading to the settlement was conducted by the USDA's Office of Inspector General and the U. S. Attorney at Spokane.

Snead said that, "the lengthy investigation of the Inland Power and Light Company and, more significantly, the special focus on Coopers and Lybrand audits, represents the seriousness with which my office views the quality and integrity of the work performed by certified public accountants of companies receiving government funds. It is absolutely essential that government, businesses and the general public be able to rely upon the quality and the integrity of CPA audits."

Dave Dickson (202) 447-6701

#

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Dec. 14—Under Secretary of Agriculture Richard T. Crowder today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Dec. 15, through midnight Thursday, Dec. 21.

Since the adjusted world price (AWP) is above the 1988 and 1989 crop base quality loan rates of 51.80 and 50.00 cents per pound, respectively, the loan repayment rates for the 1988 and 1989 crops of upland cotton during this period are equal to the respective loan rates for the specific quality and location.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates. Because the AWP in effect is above the established loan rate, loan deficiency payments are not available for 1989-crop upland cotton sold during this period.

Based on data for the week ending Dec. 14, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price	
Northern Europe Price	77.06
Adjustments:	
Average U.S. spot market location	12.59
SLM 1-1/16 inch cotton	2.20
Average U.S. location	0.39
Sum of Adjustments	<u>-15.18</u>
ADJUSTED WORLD PRICE	61.88 cents/lb.
Coarse Count Adjustment	
Northern Europe Price	77.06
Northern Europe Coarse Count Price	<u>-73.02</u>
	4.04
Adjustment to SLM 1-inch cotton	<u>-4.75</u>
COARSE COUNT ADJUSTMENT	0 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Dec. 21.

Charles Cunningham (202) 447-7954

#

UNITED STATES SIGNS TECHNICAL ASSISTANCE AGREEMENT WITH POLAND

WARSAW, Dec. 15—Secretary of Agriculture Clayton Yeutter tomorrow will sign an agreement with Poland to provide U.S. technical assistance to the Polish Ministry of Agriculture, Forestry and Food Economy and the Ministry of Rural Life Quality.

“In earlier discussions with Polish government officials, it was clear that a formal way of providing U.S. technical expertise would help Polish officials improve their agricultural economy,” Yeutter said. “Polish officials outlined their priorities which are reflected in the agreement. This information exchange agreement will help enhance the agricultural developments taking place in Poland, and help open the doors to expanded U.S.-Polish agricultural trade.”

The agreement calls for:

—increased government and industry efforts to improve the exchange of

technological information and to improve transportation and marketing facilities in Poland;

—improving the structure of Polish agriculture with the goal of increasing production efficiency and improving rural life quality in Poland; and

—encouraging expanded agricultural trade between the two countries.

The agreement establishes a joint agricultural development and agricultural trade development committee to monitor and coordinate activities. Under Secretary of Agriculture Richard T. Crowder will serve as co-chair of the committee; his Polish counterpart will be named later.

Kelly Shipp (202) 447-4623

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USDA ANNOUNCES 1990-CROP FLUE-CURED TOBACCO PROGRAM

WASHINGTON, Dec. 15—Under Secretary of Agriculture Richard T. Crowder today announced the following provisions of the 1990 flue-cured tobacco program:

—The national marketing quota for the 1990 crop is 877.7 million pounds, down from the 1989 marketing quota of 890.5 million.

—The national average yield goal remains unchanged at 2,088 pounds per acre.

—The support level for the 1990 crop is \$1.488 per pound, up 2.0 cents from the 1989 level.

—The national acreage allotment for the 1990 crop is 420,354 acres, down from the 1989 allotment of 426,485.

—For each farm, the 1990 basic quota and allotment will decrease about 1.5 percent from 1989.

—The effective quota is expected to be about 939 million pounds, or 35 million above the 1989 effective quota.

—The no-net-cost program assessment and the amount of the reduction for fiscal 1990 under the Gramm-Rudman-Hollings Act will be announced later.

In a January referendum, producers approved acreage-poundage quotas for the 1989 through 1991 crops.

Bruce Merkle (202) 447-6787

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USDA ANNOUNCES 1990 NATIONAL PEANUT POUNDAGE QUOTA

WASHINGTON, Dec. 15—Under Secretary of Agriculture Richard T. Crowder today announced the national peanut poundage quota of 1,560,000 short tons, or 3,120 million pounds, for the 1990 marketing year. The quota is 120,000 short tons more than the 1989 quota.

Crowder said that the U.S. Department of Agriculture is required by law to announce the final national poundage quota for the 1990 marketing year by Dec. 15.

As required by the Agricultural Adjustment Act, as amended, that national poundage quota for the 1990 crop has been set at a level that is equal to the estimated quantity of peanuts that will be devoted to domestic edible uses, seed and related uses in the 1990 marketing year. The marketing year begins Aug. 1, 1990.

The 1990 crop national poundage quota will be allocated to each state based on the state's share of the 1985 crop national poundage quota.

Increases in a state's poundage quota will be allocated among qualifying farms in accordance with prescribed procedures.

In a January 1986 referendum, peanut growers approved poundage quotas for the 1986-1990 crops.

John C. Ryan (202) 447-6788

#

TANTALIZING LURE FOR MEDFLY MAY OFFER NEW WAY TO KILL PEST

WASHINGTON, Dec. 18—Mediterranean fruit flies might someday be snuffed out by daubing telephone poles with a gel that contains a powerful new lure and small amounts of an insecticide, said a U.S. Department of Agriculture scientist who co-invented the lure.

The new chemical attractant, called Ceralure, "needs more study, but in a few years it might replace aerial spraying of a medfly bait," Roy T. Cunningham of USDA's Agricultural Research Service said today in Honolulu.

The bait—a mix of the insecticide malathion and a by-product from making corn syrup—is sprayed on infested areas, typically from helicopters. But with Ceralure and malathion mixed into a gel, male

medflies would be lured into landing on blobs of the mixture applied from the ground onto phone poles and trees, then killed by contact with the insecticide, he said.

Cunningham, an entomologist at the ARS Tropical Fruit and Vegetable Research Laboratory in Hilo, Hawaii, chairs a science panel that advises California officials on how to fight medfly outbreaks. He spoke in Honolulu at a press conference held at the International Chemical Congress of Pacific Basin Societies, sponsored by the American Chemical Society.

Ceralure lasts two to four times longer than Trimedlure—the standard lure used in traps placed in trees to detect new medfly infestations, according to Cunningham. That finding is based on his small-scale tests using traps fitted with a cotton wick, saturated with lure.

To compare effectiveness of the two lures in gels, Cunningham and Ceralure's co-inventor, ARS chemist Terrence P. McGovern, plan tests early next year in Hawaii.

California's Department of Food and Agriculture is "definitely interested in field evaluations of the new technique and has agreed to help fund the research at \$83,600 over the next three years," according to Isi A. Siddiqui, an assistant director with that agency in Sacramento.

"Ceralure in gel will have to attract flies for at least two weeks to be a practical, economical option," Cunningham said. Tests he ran in the 1960's showed that a Trimedlure gel couldn't meet that requirement.

Cunningham and McGovern—of the ARS Chemical Insect Ecology Laboratory in Beltsville, Md.—patented Ceralure, naming it for the medfly—*Ceratitis capitata*. ARS researchers in Maryland and Hawaii developed Trimedlure in the early 1960's. The lures are chemically similar, synthetic compounds.

In the search for a new medfly attractant, McGovern synthesized hundreds of compounds in his lab, then shipped them to Cunningham for testing in Hawaii, where medfly and several other fruit fly species exist.

Ceralure is "a real biological puzzle," said Cunningham. "We really don't know why male medflies like it.

"In our Hawaii tests we've proven Ceralure to be highly attractive to male medflies, but it won't be a quick fix for the current outbreaks in California. We developed Ceralure only last year. It will take two or three years to find a good formulation for the gel—how much lure, malathion and thickening agent it needs. We also have to find out how many telephone poles in an infested area would need to be squirted with

the gel,” he said. Plus, the U.S. Environmental Protection Agency needs proof of Ceralure’s safety before the compound is approved for widespread use.

The idea of putting small amounts of a combined lure-and-insecticide on poles and posts isn’t new, Cunningham explained. For almost 20 years, agricultural officials in California have used this strategy to kill invading males of a medfly cousin, the Oriental fruit fly. “This has been an ideal approach,” he said, “because it uses very little insecticide, doesn’t inconvenience people—like aerial spraying sometimes can—and kills male flies fast, before the population gets a chance to build into an outbreak.”

Medfly attacks more than 250 fruits and vegetables and is one of the most damaging fruit fly pests of agriculture, he said. California, Texas, Arizona and Florida are under year-round threat of medfly invasion. This year, California will have spent more than \$10 million battling medfly outbreaks. A 1980-82 infestation cost taxpayers \$100 million for eradication and growers about \$100 million in lost sales.

To detect invasions, states rely on inspections of incoming produce at air terminals, shipping ports and border checkpoints, as well as on careful monitoring of traps hung in trees.

Using Ceralure instead of Trimedlure in those traps, Cunningham said, might mean they could be replenished with lure less often. That could save labor costs in states such as California, which maintains 30,000 medfly traps.

To help combat medfly—as well as other pest invaders—USDA’s Animal and Plant Health Inspection Service focuses on inspections at ports of entry. APHIS also helps state agencies detect and determine the extent of infestations and oversees mass releases of sterile medflies to disrupt the pest’s reproduction. The sterile-insect technique was developed by ARS.

In related research, Cunningham and McGovern, along with ARS chemist Robert A. Flath of the agency’s Western Regional Research Center in Albany, Calif., recently developed and patented a compound to attract a distant medfly relative, the Malaysian fruit fly. That insect, known to scientists as *Dacus latifrons*, is a recent arrival in Hawaii. It attacks tomatoes, peppers and other crops and is a threat to agriculture on the U.S. mainland. California’s Department of Food and Agriculture funded part of the research for the new compound, named Latilure.

Marcia Wood (415) 559-6070

#

USDA PLANT EXPLORER SINGLED OUT BY FORTUNE MAGAZINE

WASHINGTON, Dec. 19—For the second year in a row, a U.S. Department of Agriculture scientist has been named by Fortune magazine as one of the year's "25 most fascinating business people."

Calvin R. Sperling, a plant explorer and botanist for USDA's Agricultural Research Service, was selected by the business publication for combing the globe to find species of threatened plants that have potential agricultural value.

Sperling is the second ARS scientist chosen by Fortune in the four years the magazine has run its Jan. 1 business-people-of-the-year issue. Bobby Stewart at the agency's Conservation and Production Research Laboratory, Bushland, Texas, was selected last year.

Sperling has worked for three years in the agency's Germplasm Services Laboratory at Beltsville, Md. He originally was hired as a research associate. Last spring, Sperling, who speaks Spanish, French and a little Turkish, hunted for wild lentils and chickpeas in Turkey. He has explored the forests of Central Asia for obscure relatives of apples, Israel for wild relatives of wheat and other cereal grains, and the Amazon jungles of South America for potato relatives.

According to Fortune, with the destruction of 80,000 square miles of rain forest in 1989, whole species of plants are becoming extinct. "Such depletions compromise the future of commercial agriculture—which depends for new products on crossbreeding of existing, often wild, varieties of plants."

Plant seeds—germplasm—are preserved by ARS at its National Seed Storage Laboratory in Fort Collins, Colo., and at about 40 other locations nationally. According to Fortune, the facility "holds seeds of some 250,000 plants—many of them no longer growing anywhere on earth."

Sperling spends "only a quarter of his time...in the field," searching for plants in jeopardy of extinction, the magazine said. "The rest he uses figuring out what to collect next."

Sperling, 32, became interested in seeds when he was 12. He has a degree in botany from North Dakota State University at Fargo and a master's and a doctorate in biology from Harvard. Born in Alexandria, Minn., he lives in Silver Spring, Md.

Hank Becker (301) 344-3547

#

USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Dec. 19—Under Secretary of Agriculture Richard T. Crowder today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 9.76 cents per pound;
- medium grain whole kernels, 9.06 cents per pound;
- short grain whole kernels, 8.94 cents per pound;
- broken kernels, 4.88 cents per pound.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$6.03 per hundredweight;
- medium grain, \$5.64 per hundredweight;
- short grain, \$5.43 per hundredweight.

The prices announced are effective today at 3 p.m. EST. The next scheduled price announcement will be made Dec. 26, at 3 p.m. EST, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-7923

#

SOVIET UNION ELIGIBLE FOR MORE WHEAT UNDER EXPORT ENHANCEMENT PROGRAM

WASHINGTON, Dec. 19—Under Secretary of Agriculture Richard T. Crowder today announced an opportunity for sales of an additional 2 million metric tons of U.S. wheat to the Soviet Union under the U.S. Department of Agriculture's Export Enhancement Program.

Today's 2 million metric ton allocation, added to the 14,200 metric tons remaining under previous allocations, brings the amount of wheat currently available to the Soviet Union under the EEP to 2,014,200 metric tons.

Sales of wheat will be made to buyers in the Soviet Union at competitive world prices. The export sales will be made through normal commercial channels with the assistance of commodities from the inventory of the Commodity Credit Corporation. The subsidy will enable U.S. exporters to compete at commercial prices in the Soviet market.

This allocation will be valid for a one-year period as provided for in the invitation for offers. Details of the program, including an invitation for offers from exporters, will be issued in the near future.

For more information telephone William Hawkins, (202) 382-9240, or Larry McElvain, (202) 447-3224. For a tape-recorded message announcing the issuance of invitations under EEP call the CCC Operations Hotline, (202) 447-2042.

Sally Klusaritz (202) 447-3448

#

CONSERVATION RESERVE PROGRAM ENROLLMENT ALMOST 34 MILLION ACRES

WASHINGTON, Dec. 19—Secretary of Agriculture Clayton Yeutter today announced the enrollment of an additional 3,329,893 acres into the Conservation Reserve Program (CRP), bringing total CRP acreage to 33,922,565.

The acreage was approved from bids of 4,217,074 acres submitted during the ninth signup July 17-Aug. 4. Participants in the CRP sign a contract to keep erodible cropland out of production and in a conserving use for 10 years. Rental rates paid for the accepted acreage averaged \$50.99 per acre during the ninth signup, compared with \$51.04 during the previous signup.

An additional 254,107 acres of cropped wetlands were contracted during the ninth signup, bringing the total to 410,068 acres. "Wetland enrollment was especially strong in both South Dakota and North Dakota which enrolled 82,814 and 68,534 acres, respectively, during the ninth signup," Yeutter said. "Producers throughout the country are using the CRP to restore and enhance previously cropped wetlands."

"CRP continues to play a major role in the U.S. Department of Agriculture water quality efforts," said Yeutter. As a result of the CRP, annual soil erosion has been reduced by over 660 million tons. CRP also protects the nation's water resources through the use of 48,831 acres of filterstrips, which are vegetative strips 66-99 feet wide that trap sediment, nutrients and pesticides. Filterstrips enrolled during the ninth signup totaled 8,718 acres. Over 5,000 miles of filterstrips will be planted adjacent to streams, rivers and lakes. Additionally, 79,555 acres of land subject to scour erosion were enrolled during the ninth signup, which

now totals 143,186 acres.

CRP acreage planted to trees now totals 2,177,894 acres, of which 218,633 acres are from the ninth signup.

State-by-state CRP acreage figures follow:

	Total Contracted Acres	Bids Contracted	9th Acres Contracted	9th Signup Tree Acres	9th Signup Wetland Acres
ALABAMA	519,529	474	20,492	13,770	1,681
ALASKA	25,375	3	674	0	0
ARIZONA	0	0	0	0	0
ARKANSAS	225,353	293	28,937	21,354	9,063
CALIFORNIA	183,054	29	5,637	0	144
COLORADO	1,953,042	481	128,848	5	52
CONNECTICUT	10	0	0	0	0
DELAWARE	985	6	119	0	0
FLORIDA	123,013	191	9,179	7,907	73
GEORGIA	663,156	919	44,880	39,478	769
HAWAII	85	0	0	0	0
IDAHO	791,061	260	43,318	111	1,684
ILLINOIS	633,580	2,162	86,910	6,509	4,108
INDIANA	364,729	1,310	51,917	2,149	1,495
IOWA	1,970,159	3,493	181,135	1,274	9,184
KANSAS	2,861,785	3,470	314,027	457	694
KENTUCKY	416,799	391	19,325	633	74
LOUISIANA	132,907	235	28,202	22,449	21,632
MAINE	37,222	51	1,598	65	9
MARYLAND	16,058	150	4,727	192	1,818
MASSACHUSETTS	32	0	0	0	0
MICHIGAN	196,304	690	26,432	109	972
MINNESOTA	1,830,672	1,754	102,279	3,290	2,252
MISSISSIPPI	726,897	1,291	82,641	56,757	10,612
MISSOURI	1,504,412	1,091	62,700	2,371	1,857
MONTANA	2,720,134	712	266,385	17	540
NEBRASKA	1,348,929	1,361	122,658	556	1,264
NEVADA	3,124	3	727	0	0
NEW HAMPSHIRE	0	0	0	0	0
NEW JERSEY	661	7	165	0	0
NEW MEXICO	480,765	17	4,706	0	0

NEW YORK	54,605	129	4,135	192	247
NORTH					
CAROLINA	137,040	601	12,152	8,349	1,703
NORTH					
DAKOTA	3,137,199	2,893	541,583	18	68,534
OHIO	254,129	1,097	49,338	1,306	3,543
OKLAHOMA	1,155,449	686	89,519	209	400
OREGON	517,150	69	9,928	143	689
PENNSYLVANIA	92,464	305	12,220	191	130
PUERTO RICO	440	0	0	0	0
RHODE					
ISLAND	0	0	0	0	0
SOUTH					
CAROLINA	265,514	513	18,296	14,230	1,105
SOUTH					
DAKOTA	2,084,557	2,530	497,034	117	82,814
TENNESSE	429,352	535	22,784	2,841	2,027
TEXAS	3,921,377	1,404	234,612	4,129	396
UTAH	232,320	20	2,799	0	0
VERMONT	187	0	0	0	0
VIRGINIA	73,938	304	8,188	2,015	138
WASHINGTON	975,320	260	76,072	0	280
WEST					
VIRGINIA	610	3	20	6	0
WISCONSIN	604,060	2,545	87,719	5,434	22,124
WYOMING	257,022	77	24,876	0	0
TOTAL	33,922,565	34,815	3,329,893	218,633	254,107

Robert Feist (202) 447-6789

#

LOUISIANA FIRM RECALLS TRADITIONAL CAJUN PRODUCT

WASHINGTON, Dec. 20—Bodin Foods, Inc., a New Iberia, La., food-processing firm, is voluntarily recalling approximately 1,000 pounds of its “Boo Dan” pork and rice product, because it may be contaminated with the bacterium *Listeria monocytogenes*.

The product is sold through small distributors in Arizona, California, Florida, Louisiana and Texas. It is sold frozen in vacuum-sealed plastic packages with the name “Boo Dan (Boudin Link) Traditional Cajun

Pudding” on the label, and “Est. 8214” printed inside the USDA inspection seal on the label.

Each 10-ounce package, sold in grocery stores, contains 2 links and is shipped 12 per carton. The 10-pound bulk packages, sold to restaurants and delicatessens, contain approximately 30 links.

“Consumers should not unwrap or taste the product,” said Dr. Lester M. Crawford, administrator of U.S. Department of Agriculture’s Food Safety and Inspection Service. “The packages should be returned to the place of purchase.”

Only the product described above is being recalled. No other products produced by the firm have been implicated.

“The Centers for Disease Control confirmed the presence of *Listeria monocytogenes* in the product while investigating a case of listeriosis,” Crawford said. “Bodin Foods is fully cooperating with the USDA,” he said.

Consumption of food contaminated with *Listeria monocytogenes* can cause listeriosis, a rare but potentially serious disease. In general, healthy people are believed to be at little risk from listeriosis; most vulnerable are those with weakened immune systems—infants, the elderly, and the chronically ill. Listeriosis in pregnant women can cause miscarriage.

Symptoms of listeriosis in adults include the sudden onset of flu-like symptoms such as fever, chills, headache, backache, and sometimes abdominal pain and diarrhea. Symptoms in newborns include respiratory distress, refusal to drink, and vomiting.

Consumers with questions about the recall may phone the toll-free USDA Meat and Poultry Hotline at 1-800-535-4555. The hotline can be reached from 10 a.m. to 4 p.m. (EST) Monday through Friday. Callers in the Washington, D.C., metropolitan area may call 447-3333. Both phone numbers provide access to a telecommunications device for the deaf.

The Food Safety and Inspection Service inspects all meat and poultry sold in interstate commerce to ensure that it is safe, wholesome and accurately labeled.

Jim Greene (202) 382-0314

#

SUNN HEMP SEEDS: SUNDOWN FOR RANGE WEED?

WASHINGTON, Dec. 20—Leafy spurge, a noxious foreign weed infesting much of U.S. rangeland, may be controlled by a natural toxin in the seed of a legume, a U.S. Department of Agriculture scientist said today.

“What makes leafy spurge a successful weed is that it has few native enemies in the United States,” said Gerald R. Leather, plant physiologist with USDA’s Agricultural Research Service. He hopes to change that by looking for naturally-produced compounds that interfere with the weed’s ability to grow. He now has found that seeds from sunn hemp, an annual legume, have a toxin proven to be a very potent killer of spurge. He reported the findings at the International Chemical Congress of Pacific Basin Societies in Honolulu today.

“Sunn hemp seeds or a seed extract may be more effective than herbicides to control spurge,” Leather said. “And sunn hemp makes a good forage crop.” Cattle will not eat leafy spurge since it produces a latex-like substance in its stems.

Leafy spurge probably originated in eastern Europe, where it has natural insect and fungus enemies. Since its invasion of the United States in the late 1800s, this weed has choked out desirable forage on about 2.5 millions acres in Minnesota, Montana, Nebraska, Idaho, Wyoming and the Dakotas.

In tests at the ARS Foreign Disease-Weed Science Research Laboratory in Frederick, Md., just two sunn hemp seeds planted in a small pot with a leafy spurge plant inhibited its normal growth by almost two-thirds, Leather said.

He is now trying to purify the toxic compound in sunn hemp seeds. “We don’t yet know what it is, but we know it’s highly potent,” he said. “We could possibly take the extract of the compound and spray it on spurge to inhibit growth or kill it.”

He was able to test tiny amounts of the extract with a new test he developed. The test uses duckweed, a pill-size aquatic plant, to register minute traces of the sunn hemp extract and other allelopathic compounds from plants. So far, Leather has found that only five microliters, or “a droplet the size of a lead pencil point,” of the extract completely stops the growth of duckweed.

Further tests are needed to determine the best way to use sunn hemp to control leafy spurge. Leather said there may be two feasible approaches.

A rancher could simply plant sunn hemp into a stand of spurge. If it rains and if the annual hemp becomes established, he said, it could hit spurge with a toxic dose every season it drops seeds. The compound could probably spread through the soil to make the weed more susceptible to diseases.

The second approach, using the sunn hemp extract, could be useful as part of a control program along with herbicides, insects or plant pathogens, such as fungi, he said.

Colleagues at the Hederick laboratory are looking for biological controls in leafy spurge's home turf. They have been traveling in Russia, Romania, Hungary, Czechoslovakia, Greece, Italy, Switzerland, Austria and China, collecting plant pathogens. Last summer, more than 100 fungi were brought back to the laboratory and are now being tested under quarantine for their ability to control the weed.

Dvora Konstant (301) 344-3108

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USDA SETS RELEASE DATES FOR 1990 FOREIGN AGRICULTURE CIRCULARS

WASHINGTON, Dec. 20—The U.S. Department of Agriculture's Foreign Agricultural Service will release the following time-sensitive circulars on these dates in 1990. The release time for all circulars is 3 p.m. Eastern time.

Release Dates for 1990 FAS Circulars

January 5 World Poultry Situation

- 12 World Agricultural Production
- 12 World Oilseed Situation
- 12 World Cotton Situation
- 12 World Grain Situation
- 17 Horticultural Products Review
- 31 World Tobacco Situation

February 9 USSR Grain Situation/Outlook

- 12 World Agricultural Production
- 12 World Oilseed Situation
- 12 World Cotton Situation

- 12 World Grain Situation
- 14 Horticultural Products Review
- 28 World Tobacco Situation

March 12 World Agricultural Production

- 12 World Oilseed Situation
- 12 World Cotton Situation
- 12 World Grain Situation
- 14 Horticultural Products Review
- 23 World Livestock Situation
- 29 World Tobacco Situation
- 30 World Cocoa Situation

April 11 Horticultural Products Review

- 11 World Agricultural Production
- 11 World Oilseed Situation
- 11 World Cotton Situation
- 11 World Grain Situation
- 26 World Tobacco Situation

May 10 USSR Grain Situation/Outlook

- 11 World Agricultural Production
- 11 World Oilseed Situation
- 11 World Cotton Situation
- 11 World Grain Situation
- 16 Horticultural Products Review
- 17 World Dairy Situation
- 25 World Sugar and Molasses Situation/Outlook
- 31 World Tobacco Situation

June 12 USSR Grain Situation/Outlook

- 13 Horticultural Products Review
- 13 World Agricultural Production
- 13 World Oilseed Situation
- 13 World Cotton Situation
- 13 World Grain Situation
- 27 World Coffee Situation
- 28 World Tobacco Situation

July 11 Horticultural Products Review

- 12 USSR Grain Situation/Outlook
- 13 World Agricultural Production
- 13 World Oilseed Situation
- 13 World Cotton Situation
- 13 World Grain Situation
- 26 World Tobacco Situation

August 8 Horticultural Products Review

- 9 USSR Grain Situation/Outlook
- 11 World Agricultural Production
- 11 World Oilseed Situation
- 11 World Cotton Situation
- 11 World Grain Situation
- 20 World Poultry Situation
- 30 World Tobacco Situation

September 12 USSR Grain Situation/Outlook

- 13 World Agricultural Production
- 13 World Oilseed Situation
- 13 World Cotton Situation
- 13 World Grain Situation
- 19 Horticultural Products Review
- 27 World Tobacco Situation
- 28 World Livestock Situation

October 11 USSR Grain Situation/Outlook

- 12 World Agricultural Production
- 12 World Oilseed Situation
- 12 World Cotton Situation
- 12 World Grain Situation
- 17 Horticultural Products Review
- 31 World Tobacco Situation
- 31 World Cocoa Situation

November 8 USSR Grain Situation/Outlook

- 9 World Agricultural Production
- 9 World Oilseed Situation
- 9 World Cotton Situation
- 9 World Grain Situation
- 14 Horticultural Products Review

- 26 World Sugar and Molasses Situation/Outlook
- 29 World Tobacco Situation
- 30 World Dairy Situation

December 12 Horticultural Products Review

- 12 World Agricultural Production
- 12 World Oilseed Situation
- 12 World Cotton Situation
- 12 World Grain Situation
- 21 World Coffee Situation
- 27 World Tobacco Situation

Donald Washington (202) 447-7115

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PRIVATE EXPORTERS REPORT SALES ACTIVITY FOR CHINA

WASHINGTON, December 20—Private exporters today reported to the U.S. Department of Agriculture export sales of 125,000 metric tons of hard red winter wheat for delivery to China during the 1989-90 marketing year.

The marketing year for wheat began June 1. USDA issues both daily and weekly export sales reports to the public. Exporters are required to report to USDA export sales of 100,000 metric tons or more of one commodity, made in one day, to one destination by 3:00 PM eastern time on the next business day following the sale. Export sales of less than these quantities must be reported to USDA on a weekly basis.

Thomas B. McDonald (202) 447-3273

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THIS WEEK'S HONEY-LOAN REPAYMENT LEVELS UNCHANGED

WASHINGTON, Dec. 21—Producers may repay their 1988 and 1989 honey price-support loans at the following levels, according to Keith D. Bjerke, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation:

Weekly Honey-loan Repayment Levels, cents per pound, 1988 and 1989 crops

	1989-crop	1988-crop
Table		
White	40.0	40.0
Extra-light Amber	37.0	37.0
Light Amber	36.0	36.0
Amber	35.0	34.0
Nontable	33.0	33.0

The levels are unchanged from those announced April 20, 1989.

Producers who redeem their honey pledged as loan collateral by repaying xcd4/d02d4d their 1988 or 1989 honey-price support loans at these levels may not repledge the same honey as collateral for another loan.

Jane K. Phillips (202) 447-7601 8:00 am-4:30 pm EST

John C. Ryan (202) 447-8207 4:30 pm-5:30 pm EST

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YEUTTER SUMMARIZES USDA ACCOMPLISHMENTS FOR 1989

WASHINGTON, Dec. 21—Secretary of Agriculture Clayton Yeutter today reviewed the accomplishments of the U.S. Department of Agriculture for 1989. He characterized his first year in office as “a good one for the American farmer, one of the best ever,” and one in which “building blocks were successfully laid” for events which will be critical to U.S. agriculture in 1990 and beyond.

Looking back, Yeutter said that in 1989 “farm income reached a near record high; the value of agricultural exports has increased remarkably since the low levels of the mid-1980s; burdensome surpluses of agricultural commodities dramatically declined; the farm credit situation eased for both lenders and borrowers; and farm program costs dropped significantly.

Yeutter also commented on the economic importance in 1989 of the changing face of Eastern Europe to American agriculture. “Who among us could have predicted the extraordinary events in Europe; none could

have guessed that we would see democracy explode on the scene in that part of the world," he said.

In discussing the Nov. 29-Dec. 2 U.S. Presidential Economic Delegation to Poland which he headed, Yeutter said, "Poland is just the beginning of new opportunities for partnerships between American agriculture and the emerging market economies of Eastern Europe. USDA, through market development, technology transfer, and information sharing at all levels, will work to help these countries take their place in the world agricultural marketplace."

Highest priority issues faced by USDA in 1989, Yeutter said, included world agricultural trade, food safety, the environment, research, and serving rural America.

Looking forward, he said that 1990 will be "pivotal" to the future of U.S. and world agriculture with the passage of new farm legislation and the final negotiations in the Uruguay Round of the General Agreement on Tariffs and Trade. "We have worked hard this year to lay the groundwork for enactment of the 1990 Farm Bill and for a successful conclusion of the Uruguay Round," he said. "We now need a strong, vigorous push if we are to open up market opportunities for the future."

Agricultural trade reform represents the most significant potential benefit to U.S. agriculture between now and the year 2000, he said. Yeutter reiterated the four main areas in the U.S. agricultural proposal to the GATT: the phased elimination of export subsidies; enhancing market access for our products; disciplining governmental measures of support which result in uneconomic production; and worldwide harmonization of health and sanitary regulations.

In the area of food safety, Yeutter praised the intergovernmental effort this year among USDA, the Environmental Protection Agency, and the Food and Drug Administration to ensure that America continues to have the safest food supply in the world. While USDA has limited regulatory responsibility in food safety, Yeutter said the department played a key role in development of the President's Food Safety Plan, announced in late October. Under the plan, the government will be able to respond more quickly to allay consumer concerns when a problem is found with pesticides, he said.

Yeutter added that, "our farmers are dedicated to protecting the health of all Americans while maintaining the quality and quantity of food at attractive prices that U.S. consumers have come to expect."

USDA moved quickly to assist victims of Hurricane Hugo in 1989,

Yeutter said. USDA immediately made emergency food supplies available in the most devastated areas. Several agencies worked as a team to set up emergency food stamp distribution, provide water where necessary, help with the clean-up, assess damages and provide financial assistance to repair rural electric and telephone systems and admage to farms.

A key aspect of USDA's emphasis on the environment in 1989 was protection of groundwater quality, Yeutter said. A USDA interagency committee developed a five-year water quality protection plan, he said, which features a science-based education and technical assistance program to identify nonpoint sources of pollution (i.e., sources of migrating pollution) and to design practices which will help farmers and ranchers achieve improved water quality while maintaining water availability. A Working Group on Water Quality was established to coordinate the water-quality activities of 13 USDA agencies and to promote cooperation with other federal agencies involved with water pollution. The Administration's budget request for funding for this plan was approved by Congress, and work will begin in 1990.

Programs to strengthen the 1890 universities (the historically black land grant institutions) were adopted, and significant progress was made in improving the capacity of these institutions to carry out their roles in research and teaching, including their critical role in helping USDA meet its future workforce needs.

Also in 1989, he said, a USDA Rural Revitalization Task Force report outlined a strategic approach to rural economic problems and made recommendations to enable rural areas to become economically competitive and improve incomes. A followup program in rural development will be announced early next year.

USDA has an annual budget of about \$70 billion and has 112,000 fulland part-time employees, making it the fifth largest department in the United States. It has the most widespread distribution of offices and services throughout the nation of any of the executive departments of government. Most USDA employees work far outside Washington, D.C., located in virtually every county in the United States and in many cities. Some 118 USDA foreign service professionals are stationed in 57 countries.

Other highlights of USDA accomplishments for 1989, listed by program area and agency, include:

International Affairs and Commodity Programs

Agricultural Stabilization and Conservation Service:

—Disaster assistance totalling nearly \$3 billion was paid during calendar year 1989 to producers who suffered crop losses due to adverse weather or related conditions in 1988 and 1989.

—Additional advance deficiency payments of 10 percent for wheat, feed grains, rice and upland cotton—announced to help U.S. farmers after last summer's drought—were estimated to total \$850 million.

—By late-1989, the Conservation Reserve Program was the largest longterm cropland retirement program in U.S. history with total land contracted reaching nearly 34 million acres, exceeding the 28.7 million in the Soil Bank Program. In the last sign-up period of 1989, USDA accepted offers to place another 3.3 million acres in the CRP.

—Producers enrolled 171.2 million acres of feed grains, wheat, upland cotton, extra-long staple cotton, and rice acreage base under the 1989 commodity price support and acreage reduction programs. This represents 77.8 percent of the 220 million acres of total crop acreage bases established for these commodities. Land taken out of production and devoted to conservation use totaled 29.9 million acres.

Foreign Agricultural Service:

—Foreign sales of U.S. agricultural products, estimated at \$39.7 billion in fiscal 1989, were at their highest level since the fiscal 1981 record \$43.8 billion. Estimated volume of 147 million metric tons was down slightly from the previous year.

—Commodities from the Commodity Credit Corp. worth \$200 million were made available to 46 nonprofit and private agricultural organizations under the Targeted Export Assistance Program. The TEA program was used to counter or offset the adverse effects on U.S. agricultural exports of subsidies, import quotas, and other unfair foreign trade practices.

—Thirty-one initiatives were announced or extended under the Export Enhancement Program in fiscal 1989. The total sales value of commodities under the program was nearly \$3 billion, or about 7 percent of total U.S. exports. Twelve commodities and 65 countries have been targeted under this program since it began in 1985. The purpose of the EEP is to neutralize subsidies employed by the European Community and others by using "bonuses" in the form of government-owned stocks to

make U.S. agricultural exports competitive with the subsidized prices offered by other nations.

—In a continuing effort to advance economic freedom throughout the world, several agreements were initiated with Poland to provide that country with food aid totaling \$128.4 million.

Office of International Cooperation and Development:

—In more than 100 countries, programs were implemented to benefit both the United States and cooperating nations. Programs were conducted in close collaboration with the Agency for International Development; international food, agricultural and financial institutions; and cooperating governments. Activities included research on development of peanut-based products for food, citrus diseases, soil and water use efficiency, aquaculture, and animal health protection.

—Technical assistance to developing countries in Latin America, Africa, Asia, and the Middle East emphasized priorities such as natural resource protection and marketing infrastructure. OICD facilitated a forestry development project in Honduras and long-term soil conservation activities in The Gambia and Mexico, and designed an innovative marketing project in Kenya.

—More than 300 senior and mid-level agricultural specialists and administrators from 16 nations participated in training under the Cochran Middle Income Country Fellowship Program. For the first time, Poland was included among the countries.

Natural Resources and Environment

Forest Service:

—A new 10-year research program focused on the effects of possible climate change and air pollution on the nation's forests.

—Tree-planting efforts are expected to reach 1988's record 3.4 million acres. Helping were the more than 65,000 volunteers who took part in Forest Service jobs and projects, contributing more than 1,900 personyears of work, valued at \$25.5 million.

—Agreement was reached with U.S. Department of the Interior agencies to suppress all natural fires in national parks and wilderness areas until fire management plans are reviewed. The review was prompted by the 1988 fire year, one of the worst in U.S. history.

—Jeanne Yeutter, wife of the secretary of agriculture, became the first volunteer in the Forest Service's new "TREEmendous America" campaign to support tree-planting and reforestation efforts across the United States.

Soil Conservation Service:

—By Oct. 1, conservation plans had been developed on 133 million acres, or 98 percent of the highly erodible U.S. cropland, and had been implemented on 38.6 million acres, or 29 percent of that land. These plans fall under the conservation provisions of the 1985 Farm Bill, which required producers who crop highly erodible land and wish to participate in USDA programs to have an approved conservation plan by Dec. 31, 1989, and fully implement it by Dec. 31, 1994.

—The National Conservation Program for Soil and Water for 1988-97, sent to Congress early in 1989, identified reducing the damage caused by excessive soil erosion on rural lands and protecting the quality of surface and groundwater against contamination from nonpoint sources as top priorities for USDA programs.

—The final version of the second Resources Conservation Act Appraisal, released mid-year, reported the best data available on land use, erosion, range condition, and water supply and use. It also reported preliminary estimates of the extent of off-site damage caused by erosion, the potential for watershed quality problems in watershed areas, the extent of soils affected by excess salts, and the relative diversity of U.S. wildlife habitat.

Marketing and Inspection Services

Agricultural Cooperative Service:

—A 1989 report showed that farmer cooperatives' net income was nearly \$1,686 million in 1988, a 13-percent increase from 1987's \$1,486 million, and the highest since 1980. The 1988 figure included intercooperative dividends and refunds of \$148 million, an increase of 135 percent over \$63 million in 1987. Total net business volume, excluding intercooperative business, handled by cooperatives totaled \$55.4 billion, up 10.1 percent from \$60.3 billion in 1987. Combined assets of farmer cooperatives rose 5.9 percent from the previous year's \$27.6 billion to \$29.3 billion. The number of cooperatives fell from 5,109 to 4,937.

—Revenue of the nation's 100 largest farmer-owned cooperatives in fiscal 1988 rose nearly 11 percent to \$46.6 billion, compared with 1987 net margins of \$42 billion. Margins before losses were up 22 percent, or \$152 million higher than in 1987. However, eight cooperatives, two more than in 1987, reported significant losses, limiting 1988 net margins after losses to a 10.3-percent gain, from \$653.6 million to nearly \$721 million.

Agricultural Marketing Service:

—Nearly 1,000 market reports a day were collected by 171 federal market news reporters covering 1,737 markets throughout the United States. More than 30,160 buyers and sellers were interviewed; 41 states shared in the cost. The information is used by producers, wholesalers, and retailers in the trading of agricultural commodities.

—Starting this year, all tobacco market news reporters used hand-held computers to gather, tally and prepare daily auction data for fast transmission to the tobacco industry. Livestock market news reporters in the five major U.S. cattle slaughter areas began using computers to compile information vital to packers and retailers buying and selling beef. Based on these successes, computerization will now be extended to all other market news activities.

Animal and Plant Health Inspection Service:

—Salmonella infections in humans have led to measures to control Salmonella enteritidis, an egg-borne organism that can be transmitted from infected hens to eggs. The number of outbreaks of salmonellosis increased dramatically in 1989. This year's program is designed to help eliminate the disease from infected flocks. Laboratory support and traceback of outbreaks also were provided.

—New, stricter rules on the care of research animals were issued, requiring, among other things, that research facilities establish special committees to assure humane care and treatment. New rules also were proposed that address the issues of exercise for dogs and the psychological well-being of non-human primates.

—Two outbreaks of Mediterranean fruit flies in southern California were eradicated early in 1989; but, as the year ended, a number of additional infestations were being fought in Los Angeles, San Bernardino and Santa Clara counties. Eradication activities also were directed at outbreaks of Oriental and Mexican fruit flies in California.

—APHIS agricultural quarantine inspection personnel inspected more than 34 million arriving international passengers, as well as 339,000 aircraft and 53,700 vessels. More than 575,000 prohibited items were intercepted.

Federal Grain Inspection Service:

—New procedures to screen corn for aflatoxin—a highly toxic chemical produced by two naturally occurring soil fungi—were implemented in the national grain inspection system. New, commercially available testing kits have proven more cost-effective, quicker and safer.

—The 24 complaints about grain quality in fiscal 1989 were down from last year's 34. In each year, one complaint about quantity was received. The complaints involved 50 shiplots loaded aboard 40 vessels. The foreign complaints involved approximately 1 million metric tons, or 0.9 percent of the total grain weight exported during the year.

—Soybean oil and protein content testing was offered as an official service of the national grain inspection system to meet the increased need for end-product yield and quality information.

Food Safety and Inspection Service:

—In 6,900 meat and poultry plants, 7,700 inspectors and veterinarians inspected more than 119 million head of livestock, 5.6 billion birds, and 150 billion pounds of processed products in 1989. More than 2.8 billion pounds of imported meat and poultry products also were inspected.

—About 64,000 consumers received food safety information from the toll-free Meat and Poultry Hotline. Home economists spoke directly with 32,000 callers; thousands of others heard recorded messages about recalls and other food safety concerns.

—Recent Spanish-speaking immigrants to Miami, San Antonio, San Francisco and New York received 300,000 copies of an English/Spanish flyer designed to teach the basics of safe food handling. In other efforts to better reach the Spanish-speaking community, a training program for institutional food service workers was translated into Spanish.

Packers and Stockyards Administration:

—Nine new statutory trust cases were filed to aid livestock sellers who sold to meat packers on a cash basis but were not paid. Packers paid \$1.1 million to sellers under the trust provisions in 1989.

—The Packers and Stockyards Act was amended in 1987 to provide financial protection to growers and sellers of live poultry. Poultry producers, who are given prompt payment and statutory trust financial protection, have received approximately \$87,000 under the trust since the law went into effect.

Small Community and Rural Development

Farmers Home Administration:

—The transition from direct lending to guaranteed lending continued while FmHA undertook a debt restructuring program for delinquent farm borrowers. Obligations for fiscal 1989 were: guaranteed farm ownership loans, \$305 million; guaranteed farm operating loans, \$879 million; direct farm ownership loans, \$95 million; and direct farm operating loans, \$856 million. This was the third consecutive year in which guaranteed farm loans exceeded direct farm loans.

—Under the debt-restructuring program, delinquent farm borrowers chose from a number of debt-servicing options, such as a write-down of the amount owed and an opportunity to buy out their loans at the government's cost of liquidating them. Altogether, write-downs and buyouts totaling \$1.4 billion were approved during the fiscal year ending Sept. 30, 1989.

—For the fifth consecutive year, more than 86 percent of the agency's approximately 214,000 farm borrowers were able to continue farming, due, in part, to special servicing assistance such as loan deferrals and rescheduling.

Federal Crop Insurance Corporation:

—An estimated \$790 million in premiums was earned during crop year 1989, an increase of \$355 million, or 82 percent, over the previous year. The increase reflects in part the 1988 Disaster Assistance Act, which required many recipients of the disaster program to be insured; \$13.1 billion of insured coverage was carried on 98 million acres.

—FCIC, in cooperation with other agricultural agencies, insurance professions, and lenders, sponsored agricultural industry seminars which described the agency's role in managing risk. An 800 number was established to provide information and assure that all producers have an opportunity to buy crop insurance.

Rural Electrification Administration:

—In fiscal 1989, 176 insured loans totaling \$622 million provided electricity to rural areas. In addition, three loan guarantees totaling about \$39.5 million were approved for generation and transmission projects. On Sept. 30, the principal outstanding for insured and guaranteed electric loans was more than \$31.5 billion.

—In fiscal 1989, 61 insured telephone loans were approved, totaling \$214 million. The Rural Telephone Bank approved 28 loans totaling \$177 million. At the end of the fiscal year, the amount of financing outstanding to telephone borrowers was more than \$4.5 billion.

—Seven-hundred audits of borrower loans were completed; 65 percent of the certified public accountants auditing REA borrowers were reviewed by their peers, a program now required by revised audit procedures. A total of 96 percent of those reviewed received an unqualified approval.

—Under the Economic Development and Grant Program, a total of 24 loans have been approved totaling \$1.87 million to promote development and creation of jobs in their areas. The interest free loans, mostly for 10 years, varied from \$16,200 to \$100,000.

Food and Consumer Services

Food and Nutrition Service:

—The Food Stamp Program has continued to provide the nation's first line of defense against hunger for low income families by augmenting the money they have to purchase food. An average of 18.8 million individuals were helped each month during 1989 via federal outlays of over \$13.1 billion for the year. Redesign of the food stamp coupon redemption and reconciliation procedures reduced the financial risk to the federal government by more than \$200 million annually.

—Participation in the Special Supplemental Food Program for Women, Infants and Children (WIC) increased significantly nationwide, from 3.6 million mothers, infants and children in 1988 to 4.1 million in 1989. The increase was partly as a result of over \$200 million in food cost containment savings achieved by the states, with the cooperation of the private sector. The most effective initiative was infant formula rebates in which substantial savings from each can of a manufacturer's brand of infant formula purchased with WIC funds were recycled to serve additional needy mothers and their babies. Cost containment initiatives in fiscal year 1989 resulted in service to a monthly average of more than

half a million additional people, about 10 percent more than would have been served otherwise.

—More than 2.2 billion pounds of food, valued at over \$1.5 billion, was distributed through 10 separate domestic nutrition assistance programs in 1989, most going to prepare hot meals for the more than 24 million school lunches served every day.

—Since having a fixed address is not a requirement of participation for the food assistance programs, homeless individuals may participate. Currently the homeless appear to be assisted principally through the \$40 million in commodities provided to soup kitchens and food banks. Further, a substantial number of homeless individuals are thought to receive benefits from the \$255 million in food distributed through the Temporary Emergency Food Assistance Program, as well as some portion of the \$41 million distributed to charitable institutions.

—More than \$63 million worth of emergency and replacement food stamps and 1 million pounds of food were donated to the victims of Hurricane Hugo in North and South Carolina. For Hugo victims in the Caribbean, USDA provided 4.5 million pounds of food and more than \$6.2 million in emergency and replacement food stamps. As of mid-November, almost \$500,000 in emergency and replacement food stamps were issued to earthquake victims in California.

Human Nutrition Information Service:

—Preliminary results from the 1987-88 Nationwide Food Consumption Survey show changes over the last 10 years, including consumption of more skim and lowfat milk, more carbonated soft drinks, more prepared mixtures that are mainly meat, poultry and fish, and more grain products. The results also showed reduced consumption of whole milk, eggs and meat.

—A nutrition education campaign, “Eating Right...The Dietary Guidelines Way,” was launched to help people implement the Dietary Guidelines for Americans. Four new booklets showed how to use the guidelines in preparing foods; planning menus; making bag lunches, snacks, desserts, and quick meals; shopping for food; and eating out.

Science and Education

Agricultural Research Service:

—Scientists found that lactose can virtually eliminate Salmonella bacteria in infected chickens for only pennies a bird. Broiler chicks infected with Salmonella at birth, then treated with 2.5-percent lactose in their drinking water, had 99.9 percent fewer Salmonella bacteria than similarly infected birds that received no lactose.

—In cooperation with Iowa State University and the University of Illinois, 144 swine were imported from China. The Chinese breeds, which produce three or four more young per litter than average U.S. breeds, will be crossed with domestic breeds to increase litter size while maintaining a high quality of pork. Before release to breeders, the Chinese breeds will be evaluated for reproductive and feed efficiency, growth rate, carcass characteristics, and disease and parasite resistance.

—Dedicated this year were a Plant Molecular Biology Laboratory at Beltsville, Md., created for research on plant genetic characteristics and for development of reliable tools to transfer genes, and a Soil Tilth Laboratory at Iowa State University, Ames, for research on soils and soil processes. A Climate Stress Laboratory at Beltsville also was established to study expected adverse effects of global change on crops, with the goal of breeding stress-tolerant plants through genetic engineering.

Cooperative State Research Service:

—Now in the third year of a 10-year study on effects of acid rain on ecosystem functions, Maine researchers refined computer models designed to predict watershed acidification. As a secondary issue, the research project also addresses global climate change, forest management concerns, and the indirect effects on air quality.

—In Indiana, researchers developed an instrument that assesses the fat percentage of hog carcasses in a few seconds. Applicable to both individual cuts and whole carcasses, the technology will help pork packers provide better and more uniform quality cuts to consumers. The technology also may be useful to producers who need immediate, accurate feedback regarding animal leanness when making breeding and production decisions.

Extension Service:

—“Youth at Risk” and other new programs on problems such as drugs, dropping out of school, teen pregnancy, illiteracy, and child abuse and neglect, focused on positive development of youth, plus skills for parents and local leaders.

—More than 30 State Cooperative Extension Services helped government and industry organizations develop voluntary quality assurance programs to reduce pesticide residues in food. Additional education efforts were conducted to decrease microbiologic contamination during production, processing, and preparation. Nationwide, CES staff answered 3 million telephone inquiries and educated an estimated 10 million households in a variety of food safety programs.

Economics

Economic Research Service:

—Analysts found that about 127,000 farms that earn more than \$40,000 a year receive about half of direct government payments. Elimination of those payments would hurt farms that specialize in program crops, but not farms that specialize in crops whose prices are protected by tariffs or supported by government programs that do not include direct payments.

—U.S. farmers, a study shows, grew the same crop on their land each year during 1986-88 less often than previously thought. Only 26 percent of the total land on which corn was grown during 1986-88 was consecutively in corn during the period. For winter wheat, it was 20 percent; for soybeans, 15 percent; and for rice, 18 percent. For cotton, however, it was 57 percent.

—A study shows that in industrial countries every dollar transferred to farmers through government agricultural support payments costs almost \$1.40 in higher food and fiber prices, and taxes.

National Agricultural Statistics Service:

—The number of states for which quarterly estimates of hogs and pigs are prepared was increased from 10 to 16. The estimating program for the goat inventory, as well as mohair production and prices, was expanded from one to five states. The estimates of inventory, production, disposition and income for sheep and lambs were expanded from 41 to all

states. Modifications were made to provide more detailed estimates for the poultry program.

World Agricultural Outlook Board:

—USDA's 66th annual Outlook Conference featured the challenges of trade, legislation and regulations faced by U.S. agriculture. The meeting, held in November, drew top industry speakers and more than 1,000 participants.

Administration

Office of Advocacy and Enterprise:

—Minority permanent employment in USDA increased from 15.0 to 15.6 percent. Female employment increased from 36.2 to 37.9 percent.

Office of Finance and Management:

—Financial management services were provided for more than 25 other federal agencies in addition to USDA's 38. Such cross-servicing generated more than \$18.5 million in revenue through reimbursable agreements for fiscal 1989. This compares to less than \$300,000 generated in 1984.

Office of Information Resources Management:

—A new contract for USDA's Computerized Information Delivery service, which provides public access to crucial market-related agricultural information, lowered costs to the government and subscribers and opened the system to a broader range of cooperators, including Land-Grant institution libraries.

—The second phase of consolidation of the national computer centers in Washington and Kansas City was completed. This included conversion of the agency application systems to standards used in Kansas City. All agencies now are operating under the same standards which is expected to lead to savings of \$20-\$30 million over 5 years.

Office of Personnel:

—A multi-year program was implemented to coordinate personnel recruitment and retention in USDA. Liaison officers were placed at each of the 16 historically black land-grant institutions and Tuskegee Institute. Production began on a recruitment video, and a pilot program trained employees to be recruiters for USDA. A career awareness/outreach

program was targeted toward agricultural high schools in Philadelphia and Chicago.

—Under the congressionally authorized leave-sharing program, which allows donation of annual leave to fellow employees in hardship situations, 325 USDA personnel received donations of leave. Many more employees participated as leave donors.

Office of Agricultural Biotechnology

—Scientific advice was secured from the Agricultural Biotechnology Research Advisory Committee on a handbook for agricultural researchers, and on research proposals related to improved animal vaccine for combatting brucellosis in cattle and for testing of fish in outdoor ponds that have been genetically modified for improved growth.

—Guidelines were completed for sharing scientific information in exchange visits between U.S. scientists and colleagues from foreign countries. A portable exhibit was shown in the United States, Europe and South America.

Office of the Inspector General

—In fiscal 1989, OIG issued 1,398 investigative reports which resulted in 713 indictments, 573 convictions, and 48 suits. Monetary results from these investigations totaled \$53.9 million, including \$20.9 million in recoveries and collections, \$3.1 million in fines, \$10.5 million in restitution, \$11.2 million in administrative penalties, and \$8.1 million in cost avoidance.

—The 559 audit reports included more than 2,100 recommendations to management for improvements in USDA's programs and operations. The audits also recommended recovery of \$96.6 million in questioned and unsupported costs and loans. Management officials have so far taken action on 493 audit reports, resulting in commitments to seek recovery of \$45.1 million.

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